

United States Senate Committee on
**AGRICULTURE
NUTRITION
& FORESTRY**

U.S. Senator Debbie Stabenow, Chairwoman

An Historic Agreement: Linking Conservation Compliance and Crop Insurance

The Agricultural Act of 2014

The 2014 Farm Bill includes an historic new agreement that is one of the most significant strides in land and water conservation policy in decades. The agreement, reached between conservation and agriculture organizations, requires farmers to engage in conservation compliance practices in order to receive federal crop insurance support. The agreement ensures crop insurance will remain strong while conserving millions of acres of vulnerable lands and natural resources that our nation's farmers and ranchers will rely on for generations to come.

For decades, farmers have engaged in conservation practices on highly erodible lands in exchange for federal agricultural benefits like the direct payment program, ensuring that millions of acres of wetlands and other vulnerable lands would remain healthy and productive for future generations. As the Senate Farm Bill eliminates direct payment subsidies and transitions to risk management support like crop insurance, it is incredibly important that crop insurance also be linked to conservation compliance.

According to the USDA, conservation compliance has resulted in saving 295 million tons of soil per year, and up to 3.3 million acres of vulnerable wetlands have not been drained as a result.

Historic Reform: Ending Direct Payments, Transitioning to Responsible Risk Management

One of the most landmark reforms of the 2014 Farm Bill is the elimination of direct payments and other subsidy programs and transitioning to responsible risk management, based on crop insurance. Traditional subsidy programs pay farmers even in good times. On the other hand, crop insurance only provides support when farmers take a loss.

And unlike direct payments, farmers pay into crop insurance, purchasing a policy every year so that they will have support in the case of disaster. Federal crop insurance support is not a payment made to farmers; it's a discount on the high premiums farmers pay to protect themselves.

The Farm Bill yields \$24 billion in total cuts to agriculture spending, and over \$16 billion of that savings comes from ending subsidy programs while strengthening crop insurance.

It is important that farmers—and farm jobs—are not wiped out by weather disasters. Avoiding widespread farmer bankruptcy also protects American families from sudden spikes in food prices.

Across the country, the availability of affordable crop insurance is the number one priority of farmers to keep themselves protected from disaster.

Major cuts to crop insurance would likely mean more spending in ad hoc disaster relief. And putting strict caps on crop insurance support could mean larger operations opting not to purchase crop insurance—raising premiums for small producers and increasing costs for taxpayers.

Even more seriously, if larger operations are barred from federal crop insurance support, they would avoid being bound by the historic new conservation compliance agreement included in the Farm Bill—creating an incentive for these farmers to drain wetlands and plow up highly erodible lands.

Support for the Farm Bill’s Historic Crop Insurance/Conservation Compliance Agreement

“This is an example of something that’s all too rare in Washington these days: people on both sides of this very difficult issue sat down together, put it all on the table, and figured out a way to make this policy work to protect our soil and water resources for generations to come. This agreement represents a significant step toward creating a stronger agricultural sector, creating jobs and allowing farmers to be the best stewards of their land.” - **Sen. Debbie Stabenow** (D-MI), Chairwoman of the Senate Agriculture Committee

“We have been a strong advocate for an effective crop and natural resource safety net in the 2013 Farm Bill. The conservation compliance agreement, made possible by the leadership of Chairwoman Stabenow and Ranking Member Cochran, ensures at a policy level the thoughtful implementation of compliance that balances the need for natural resource conservation with a robust agriculture economy.” - **National Association of Conservation Districts** President Earl Garber

“We believe that the bipartisan compromise to oppose means testing, payment limitations or premium subsidy reductions for the crop insurance program and to formalize a tie between crop insurance and conservation compliance helped set the tone of cooperation for this bill moving forward. We greatly appreciate the help of Chairwoman Stabenow and Ranking Member Cochran in moving this historic agreement forward.” - **American Farm Bureau Federation** President Bob Stallman

“We applaud the Senate Agriculture Committee for its work on the 2013 Farm Bill and in particular the language that re-links conservation compliance to crop insurance premium assistance. This is a common sense, balanced approach that shows a mutual commitment to both conservation stewardship and to maintaining the long-term economic viability of America’s farmers and ranchers.” - **American Farmland Trust** President Jon Scholl

“We appreciate recognition by the Senate Ag Committee of the significant deliberations by our coalition to develop a common sense, workable approach to the issues of conservation and crop insurance. NCGA applauds the Committee for passing a bill incorporating provisions of this compromise which will help farmers avoid the onerous means testing, payment limitations and premium subsidy reductions previously proposed for crop insurance, our number one farm bill priority.” - **National Corn Growers Association** Chairman Garry Niemeyer

"Re-coupling conservation compliance to crop insurance has been a top priority for Ducks Unlimited and we are extremely appreciative that, under the leadership of Chairwoman Stabenow and Ranking Member Cochran, the Senate Agriculture Committee has taken the first big step by including it in their five-year farm bill. Most importantly, the agriculture and conservation communities have nurtured a working partnership grounded in our mutual goal of a comprehensive farm bill. I expect to maintain and grow our collaboration in the long-term on behalf of our country's farmers, ranchers, wildlife and all Americans." - **Ducks Unlimited** CEO Dale Hall

"The Senate Agriculture Committee should be commended for its commitment and determination to write and pass a Farm Bill that saves taxpayers money and provides confidence to farmers and their lenders as they make business decisions for upcoming growing seasons. The ability of the Committee to come together and forge this bipartisan bill underscores the fact that the Farm Bill is important to all sectors of our nation and economy." - **American Association of Crop Insurers and Crop Insurance and Reinsurance Bureau**

"We are very pleased that the agreement that would re-link conservation compliance and crop insurance was included in the bill passed by the Senate Agriculture Committee. The united front of agriculture and conservation groups will help to ensure that our producers benefit from the certainty of a five-year farm bill while they are incentivized to protect our nation's natural resources." - **National Farmers Union** President Roger Johnson

"Conservation compliance has been a critically important policy, helping us conserve fish and wildlife habitat through a partnership between farmers and taxpayers. State fish and wildlife agencies applaud the historic steps taken today to strengthen conservation compliance by linking it to crop insurance subsidies, and look forward to working with members of Congress and our partners in the conservation and agriculture communities to see these policies become law." - **Association of Fish and Wildlife Agencies** Executive Director Ron Regan

"Today, the Senate Agriculture Committee, conservationists, and our colleagues in the agricultural collectively community mapped the path to advance protections for wildlife habitats on working lands, while addressing the needs of those who work the land." - **National Wildlife Federation** President and CEO Larry Schweiger

"The agreement reached by conservation and agricultural groups on conservation compliance was historic in its broad and unique base of support; today that support was reaffirmed by a bipartisan majority of the United States Senate Agriculture Committee, who saw both the wisdom and the workability of this impressive consensus." - **Theodore Roosevelt Conservation Partnership** President and CEO Whit Fosburgh

**Conservation and Farm Organizations Supporting Conservation Compliance Agreement in 2014
Farm Bill**

American Association of Crop Insurers
American Farm Bureau Federation
American Farmland Trust
American Society of Agronomy
American Soybean Association
American Sugar Alliance
Association of Fish and Wildlife Agencies
Audubon
Crop Insurance and Reinsurance Bureau
Crop Science Society of America
Ducks Unlimited
Environmental Defense Fund
Land Improvement Contractors of America
National Association of State Conservation Agencies
National Association of Conservation Districts
National Association of Resource Conservation and Development Councils
National Bobwhite Conservation Initiative
National Conservation District Employees Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Farmers Union
National Wildlife Federation
Pheasants Forever
Pollinator Partnership
Quail Forever
Soil and Water Conservation Society
Soil Science Society of America
Southern Peanut Farmers Federation
Theodore Roosevelt Conservation Partnership
The Nature Conservancy
USA Rice Federation
Wildlife Mississippi
World Wildlife Fund